GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

STARRED QUESTION NO:234
ANSWERED ON:09.08.2005
PRODUCTION OF CASH CROPS
Kharventhan Shri Salarapatty Kuppusamy

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the production of coffee, rubber and pepper during the last three years, commodity- wise along with the area under cultivation in the country;

(b) the price fixed by the Government for procuring the produce from the farmers for these crops, year-wise during the said period;

(c) whether the farmers and plantation workers are facing several problems resulting in reduction in production of these commodities;

(d) if so, the action taken by the government to solve the problems faced by the farmers and plantation workers;

(e) whether deaths due to poverty have occirred in some plantation areas during the said period;

(f) if so, the details thereof and the reasons therefor, State-wise; and

(g) the action taken by the government in this regard?

Answer

MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH)

(a) to (g): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (g) of LOK SABHA STARRED QUESTION NO. 234 FOR ANSWER ON 9.8.2005 REGARDIN(f PRODUCTION OF CASH CROPS.

(a) Production of coffee, rubber and pepper (in thousand tonnes) was as given below:

Commodity	2002-03	2003-04	2004-05
Coffee	275.27	270.50	275.50
Rubber	649.43	711.65	749.66
Pepper	63.95	N/A	N/A

provisional Not Available

The area under cultivation (in hectares) is approximately as given below :

Coffee	Rubber	pepper
354840	578000	216010

(b) The Govt. of India does not fix procurement prices for these commodities. However, Government of India in consultation with Government of Kerala has sanctioned a market intervention scheme procurement of 5050 MT of black pepper at n market intervention

price` of Rs.70 per kg. from 15/2/2005 to 31/3/2005.

(c) & (d) There has been no reduction in production as per available information on production trends.

(e) to (g) : Some cases of deaths have been reported in the past in the coffee plantation areas clue to financial difficulties; however, various other socio-economic reasons may also have been responsible for such cases, In the case of other crops , no cases of deaths due to poverty have come to the notice of the Government.

Measures taken to help the coffee .growers include re-phascmenl/restructuring of loans Inken by the coffee growers from commercial banks by way of Special Coffee Term Loan (SCTL) and interest subsidy to large and small colTcc growers on repayment of working capital loans taken from financial institutions. In order to provide further relief lo coffee,growers, the (lovctnmont of India has approved a package which is aimed at debt mneliomlion, The paokie envinÂ»nen (I) equal sharing of total interest burden eMimitled lo be RH.2H7.lO wore on Npeclnl Coffee Term Lonh (SCTL) during the three yoar moratorium period nniongm the lmnkn. Ihe (iovef nimjnl mul tho grower loanecB to the extent of one third each (ii) requesting the banks to lower the interest rates charged on SCTL from existing 11% to 9% or into applicable to agriculture Hector whichever k lower, during the remaining repayment period of SCTL loans (iii) writing olVof coffee developmental lotins along with interest amounting to around Rs.24 crorc, due from the Coffee Hoard to the Government of India - the Coffee Board will in turn waive the old developmental loans amounting to around Rs.64.59 crore extended by the Board to the coffee growers having holdings below 10 hectares only-and` (iv) also continuing the interest subsidy scheme on working capital loans for small gewersr (below 10 ha) at the rate of 5% and large growers at rate of 3% for the remaining years of the Tenth, Plan. The interest subsidy would be reduced by 1% for a period of 3 years in the case of those growers who receive the benefit of reduced interest burden on SCTL during the moratorium period.

Govt. of India through the Rubber Board has been implementing the Rubber Plantation Development Scheme and has also been providing various forms of assistance to the Rubber Growers as part of the Ninth Plan Programme and this has been continued under the X Plan. The Board has also promoted the formation and strengthening of village level organisations, namely, Rubber Producer Societies to provide better services to growers.

In pepperfas mentioned above, a market intervention scheme was recently sanctioned to provide relief to growers.

Government has set up a Price Stabilisation fund to provide relief to growers of tea, coffee, rubber and tobacco when prices fall below a specified level, An expert committee has been constituted to review the scheme to make it more useful and attractive to growers.

Government is aware of problems faced by growers and has been implementing various programmes to enhance production and productivity.